AGRICORP

2002 – 2003 Annual Report

looking to the future

Également disponible en français

Contents

Contents 1

AGRICORP at a Glance 2

Greetings from the Chair 4

CEO's Message 5

Corporate Governance 6

Management Discussion 10

Overview of Programs and Services 16

Relevant Products for a Changing Industry 18

Financial Highlights 20

Management Responsibility
for Financial Reporting 21

Auditor's Report 22

AGRICORP Financial Statements 23

Notes to Financial Statements 28

AGRICORP Board 36

AGRICORP Staff 36

AGRICORP at a Glance

AGRICORP is an agency of the Government of Ontario, responsible for delivering government and non-government priority products and services that assist Ontario's agri-food industry in managing risks. Since its inception, AGRICORP has been successful in creating value for producers. Excellent customer service and reliable, cost-effective delivery have earned AGRICORP the reputation as the delivery agent of choice.

Highlights of our current product line include the design and delivery of the Canada-Ontario Crop Insurance Program and the delivery of the Market Revenue Program, the Plum Pox Eradication Program, the Grain Financial Protection Program, and Farm Business Registration. AGRICORP provides exceptional customer service to more than 24,000 producers enrolled in safety net programs and to more than 49,000 producers participating in Farm Business Registration. The corporation has

received national and international recognition for the development and cost-effective delivery of innovative risk management products.

AGRICORP has established partnerships across the agri-food industry, from the primary producer level through the supply chain. Capitalizing on the corporation's low-cost, single infrastructure and multiple program delivery expertise, AGRICORP has expanded its product offering into verification services. Responding to the need for trusted, independent assessment of farm product quality in Ontario, AGRICORP is well positioned to deliver effective verification services to the agri-food industry.

AGRICORP will continue to pursue opportunities through partnerships and alliances to ensure that relevant products and services are available to meet the increasingly sophisticated needs of the agri-food industry.

Greetings from the Chair

Philip Andrewes, Chair of the Board

In the six years since its establishment as a Crown corporation, AGRICORP has demonstrated excellence in delivering programs, flexibility in developing new products, and a renewed focus on customer service.

Success comes only with the right ingredients in place. With operations on track and growth beginning to fuel business development, the Board felt it was important to continue to be proactive and not become complacent with recent success. The time was right to review our strategic framework and ensure AGRICORP is well positioned for the future.

Our new policy governance model allows the Board to be more strategic while remaining confident that the oversight role is performed well. To better align the Board's resources with priorities for the future, we created the Product Development Committee to focus on prioritizing new business opportunities.

Managing the changing needs of our customers will continue to be a top priority. In the new millennium, farmers are an integral part of the food production and distribution system. This presents AGRICORP with the challenge and opportunity to creatively develop and offer products that enhance farmers' professionalism and strengthen their businesses.

Our three-year strategic plan, aptly named "Relevant Products for a Changing Industry", focuses efforts in the areas of business risk management, verification, and related value-added services. Although there is some uncertainty regarding the details of the new Agricultural Policy Framework, we are confident that our core businesses will address key priorities identified in the five pillars.

In the area of production insurance, we will be examining the potential for new products like the new rainfall derivative for forage, which has been very well received by Ontario producers and has gained international recognition for its innovation and success. Other examples include reviewing the needs of horticultural crops and specialized varieties, and working with all stakeholders to participate in a national feasibility study on production insurance for livestock.

Another exciting core business we are developing is in the area of verification services. Clearly, the industry has recognized the need to provide assurance to the marketplace regarding the integrity and safety of food production systems. This year, AGRICORP has made significant progress in the development of traceability products to meet this need.

The final ingredient to AGRICORP's continued success is the ongoing commitment to work effectively with all key players. We will continue to work closely with the Ontario Ministry of Agriculture and Food, Agriculture and Agri-Food Canada, Ontario's agri-food industry, and other industry professionals to meet the challenges ahead.

I would like to thank the Board of Directors for their dedication, commitment, and support. I would also like to recognize the efforts of the excellent staff at AGRICORP.

CEO's Message

I am fortunate to have undertaken my new challenge at AGRICORP at the same time that the Board was initiating a process to renew its strategic focus. This presented an excellent opportunity to ensure that our foundation is secure.

The Board's direction was clear: Ensure operations are sound; work to position AGRICORP to be ready to deliver on the business risk management pillar of the Agricultural Policy Framework, including enhanced crop insurance; and improve our focus on verification services.

Over the winter, staff worked with the George Morris Centre and Jayeff Partners to conduct an extensive review of the internal and external business environment to ensure our strategic directions were focused and realistic. Then, with input from all AGRICORP staff, we worked to assemble a business plan. This plan puts first things first by ensuring sound operations and by building upon our successes.

From responding to the fourth highest claim year in the history of Ontario crop insurance, to delivering $72 million in bridge funding for the province, to delivering the Plum Pox Eradication Program, AGRICORP is a proven deliverer of products and services that contribute to the well-being of producers in this province.

I am pleased to report that our annual customer satisfaction survey indicates once again that customers are enjoying exceptional service. Last year we worked with the Board to design and implement a new customer dispute resolution process, which has reduced the average time to resolve an issue from six months to five weeks. With the use of technology such as geographical information systems, staff have access to information that facilitates quick decisions regarding underwriting new contracts and adjusting claims. Four years ago it took an average of 40 business days to settle a claim payment. Last year, most claims were processed with cheques in the mail within 11 business days.

This year we have made over 30 improvements and enhancements to various crop insurance plans to ensure these products continue to meet the needs of farmers. One example is the new quality factor to cover the green soybean issue that impacted many producers in 2002.

Our risk management strategy, including the purchase of private reinsurance, ensures that the Crop Insurance Fund is financially sound and that product pricing remains much more stable than in the past.

We are very excited about the outlook for the future. We have initiated a number of targeted pilot projects that will clarify our role in adding value and helping our customers meet their specific market needs. Verification services such as traceability and management of information are a high priority for the agri-food industry, and we believe AGRICORP can play an important role as an independent and efficient delivery service. We also believe we are ready to meet the other challenges that will emerge from the Agricultural Policy Framework, and that our business plan lays out an aggressive but realistic map to move us forward.

I continue to be impressed by the excellent quality and dedication of staff at AGRICORP, and I am very thankful for the support of senior management and for the opportunity to be part of such an excellent team. Thanks also to the Board of Directors for their leadership and support, and specifically the Chair, Philip Andrewes, for his guidance through my first year.

Randy Jackiw, Chief Executive Officer

Corporate Governance

Our Vision

The provider of specialized agricultural risk management, certification, and verification products that enhance the profitability of our customers.

Our Mission

Our mission is to be the outstanding deliverers, and marketers of Crop Insurance, certification and verification processes, and other agricultural risk management products.

AGRICORP Board of Directors

The AGRICORP Board consists of a minimum of five directors, including the Vice-Chair and Chair. The Minister is responsible for making recommendations to Cabinet regarding Board appointments. The Lieutenant Governor in Council appoints Board members and designates one of the members as Chair and one or more as Vice-Chair(s). Directors are independent of management, and policies and processes are in place to ensure the Board can perform its governance responsibilities.

Corporate Governance

During the past year, the Board has spent considerable energy in formalizing the governance model; reviewing governance policies, Directors' code of conduct, committee roles and structure; and undertaking Director training.

Board Mandate

The Board's mandate is as follows:

- Identify strategic policy issues for AGRICORP
- Make policy decisions
- Ensure policies and reporting are being implemented effectively
- Hire the CEO and manage the CEO relationship
- Liaise with the Ontario Ministry of Agriculture and Food
- Monitor and evaluate Board performance in achieving the vision and mission

Governance Style

The AGRICORP Board of Directors will govern with an emphasis on:

- Outward vision rather than internal preoccupation
- Encouragement of diverse viewpoints
- Strategic leadership rather than administrative detail
- Clear distinction of Board and CEO roles
- Collective rather than individual decisions
- Future rather than past or present
- Proactivity, acting decisively when required

Corporate Governance

Board Members' Code of Conduct

The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Directors. In this respect:

- Directors must represent unconflicted loyalty to the interests of the stakeholders. This accountability supersedes any conflicting loyalty such as to advocacy or interest groups or membership on other boards or staffs. It also supersedes the personal interest of any Director acting as a consumer of AGRICORP's services
- Directors must avoid conflict of interest with respect to their fiduciary responsibility
- Directors may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies
- Directors will respect the confidentiality appropriate to issues of a sensitive nature

Board Committees

Board Committees, when used, will be assigned to reinforce the Board's job, but never in a manner that interferes with delegation from the Board to the CEO.

Currently, there are four committees of the AGRICORP Board:

- The Crop Insurance Committee
- The Product Development Committee
- The Executive, Finance and Audit Committee
- The Market Revenue Appeals Advisory Committee

The Board will evaluate at least annually the effectiveness of the Board and its Committees.

Director Training

All Directors will receive training to assist them in effectively performing their role and orientation to help them better understand the business of AGRICORP, their duties pertaining to AGRICORP, and their oversight role of AGRICORP as an operational enterprise of the Government of Ontario. The chair and CEO will determine an annual training plan for Directors.

Strategic Planning Process

The AGRICORP Board of Directors annually reviews the organization's vision and mission and participates in the corporation's strategic planning process. For 2003/04 the Board approved a 3-year strategic business plan.

The Board approved the following four strategic objectives for 2003/04:

1. **Sound Operations**, including strengthening stakeholder relations and establishing and reinforcing internal processes.
2. **Continuous Improvement,** including planning, and enhancing and developing products, efficiency and integrity of processes, and IT and information management.
3. **Effective Communications and Marketing,** including open dialogue and planning for communications
4. **Learning Organization,** including providing opportunities for personal and professional growth, and ensuring relevant skills for a changing environment.

104-02077/

AGRICORP staff develop concrete performance targets to achieve each of these strategic objectives.

Relationship with Government

AGRICORP is a provincial Crown corporation, established under the AgriCorp Act, 1996, and classified as an operational enterprise under the Crown Agency Act. The Ontario Ministry of Agriculture and Food is responsible for providing policy direction to the Chair and approving AGRICORP's annual business plan.

AGRICORP's operating decisions must be made independently and impartially, with operations at "arm's length" from the government. As an agency of government, AGRICORP conducts itself in a business-like manner according to accepted management principles, including ethical behaviour, accountability, prudent use of public funds, and high quality service. AGRICORP is publicly accountable and receives oversight from provincial and federal auditors. Many of the programs AGRICORP delivers are funded by the provincial or federal government, or both.

Management Discussion

John Good, AGRICORP Claims Adjuster, in the field with an AGRICORP customer.

Helping farmers achieve sustainability and profitability is AGRICORP's vision. Our customers include farmers, farm groups, agri-business, and federal and provincial governments that provide services to farmers. 2002 was about building on a few core principles: Provide excellent customer service; maintain the integrity of our programs; and ensure the relevance of the products we offer to an increasingly complex agri-food industry. In this section we highlight some of the successes from 2002 that reflect our commitment to adding value to this exciting and diverse industry.

Customer Service

At AGRICORP, we are proud of our achievements in customer service. Feedback from our annual customer satisfaction survey indicates that our customers are more pleased than ever with the service they receive. Customers can communicate with us:

- By calling our toll-free Customer Action Centre, an efficient and responsive source of knowledgeable support
- Through a personal visit from one of our regional field staff
- By chatting with us at trade shows, regional meetings, and industry events

- By visiting our Web site, where customers can download current information about Crop Insurance and other safety net programs.

However our customers choose to communicate with us, our staff apply crop-specific knowledge and an intimate understanding of local conditions to the management of issues across rural Ontario.

We Deliver

AGRICORP has proven itself a cost-effective deliverer of value-added products and services to the agri-food industry. Here are some of the highlights from the past year:

- The Crop Insurance program insured over 4 million acres in 2002, an increase of 6.4% over 2001. During what was another difficult crop year for many producers, AGRICORP reviewed, verified, and paid some 16,000 claims totalling over $143 million. Despite the high volume, in 2002 we shortened the turnaround time for claim payments by 50% over the previous year, paying most claims in 11 business days.
- AGRICORP was able to quickly implement a recommendation from an international panel of scientists to increase the number of leaf samples taken for the Plum Pox Eradication Program by over 25%. AGRICORP delivers this program in cooperation with Agriculture and Agri-Food Canada, the Canadian Food Inspection Agency and the Ontario Ministry of Agriculture and Food.
- Under the Ontario Bridge Funding Payment, AGRICORP delivered $72 million to farmers on behalf of the Ontario Ministry of Agriculture and Food. We also transferred funds under the Market Revenue Program. For both of these programs, AGRICORP provided an efficient and effective means to quickly get needed funds into farmers' hands.
- AGRICORP reduced transaction time and costs for the Farm Business Registration (FBR) program by giving producers the option to register and pay on-line. Internet usage by FBR participants increased by 77% over 2001, while the total cost of delivering the program decreased by 7%. We will continue to investigate flexible options for our customers to use at their convenience.

None of these achievements would be possible without the support of a strong and responsive infrastructure. Our dedicated, skilled staff use sophisticated technology and processes to support the success and continued growth of our business. We work with our staff to keep their skills current and ensure that AGRICORP consistently delivers.

Our products and services have provided security and peace of mind to customers in yet another challenging year for agriculture in Ontario. The results achieved in 2002 have positioned us well to continue to serve our customers with timely, reliable, and relevant products and services.

Management Discussion

Integrity of Products and Services

Both the agri-food industry and government expect AGRICORP's programs and processes to be of the highest integrity. We take this responsibility very seriously. As one would expect, most program participants demonstrate exceptional integrity. However, we have put in place several checks and balances to ensure program integrity, including the following:

- State-of-the art technology greatly enhances our ability to maintain the integrity of many of our programs. Tools such as geographical information systems (GIS) enable staff to analyze data from a spatial and visual perspective, increasing both accuracy and efficiency in underwriting and auditing. For example, GIS technology allows us to easily recognize significant differences in yield and target anomalies for audit.
- Audit and verification of information for the Crop Insurance and Market Revenue Programs are critical to the integrity of these programs. Technology has increased our effectiveness and efficiency in audit and verification processes.
- The integrity of our information system is safeguarded by continuous, rigorous quality assurance testing to ensure that information is correct.
- A new financial system was introduced in 2002 to record and monitor our financial performance. This system improves our internal controls to safeguard assets and ensure that programs and services are delivered in a cost-effective manner. It also enhances our ability to report and analyze financial information. We will continue to focus on understanding costs to ensure prudent use of public dollars.

Relevant Products

AGRICORP demonstrated its renewed focus on the strategic development of new and enhanced products and services by creating a Product Development Committee. Reporting to the AGRICORP Board of Directors, the purpose of this committee is to ensure that sufficient time and resources are allocated to product relevance. We also introduced a more disciplined approach to setting priorities.

We are very excited about the outlook for the future. We have initiated a number of targeted products on a pilot basis, which will clarify our role in helping our customers meet their specific market needs.

In 2002 we made over 30 improvements and enhancements to Crop Insurance plans to ensure that these core products continue to meet the needs of producers. Among these enhancements were the following:

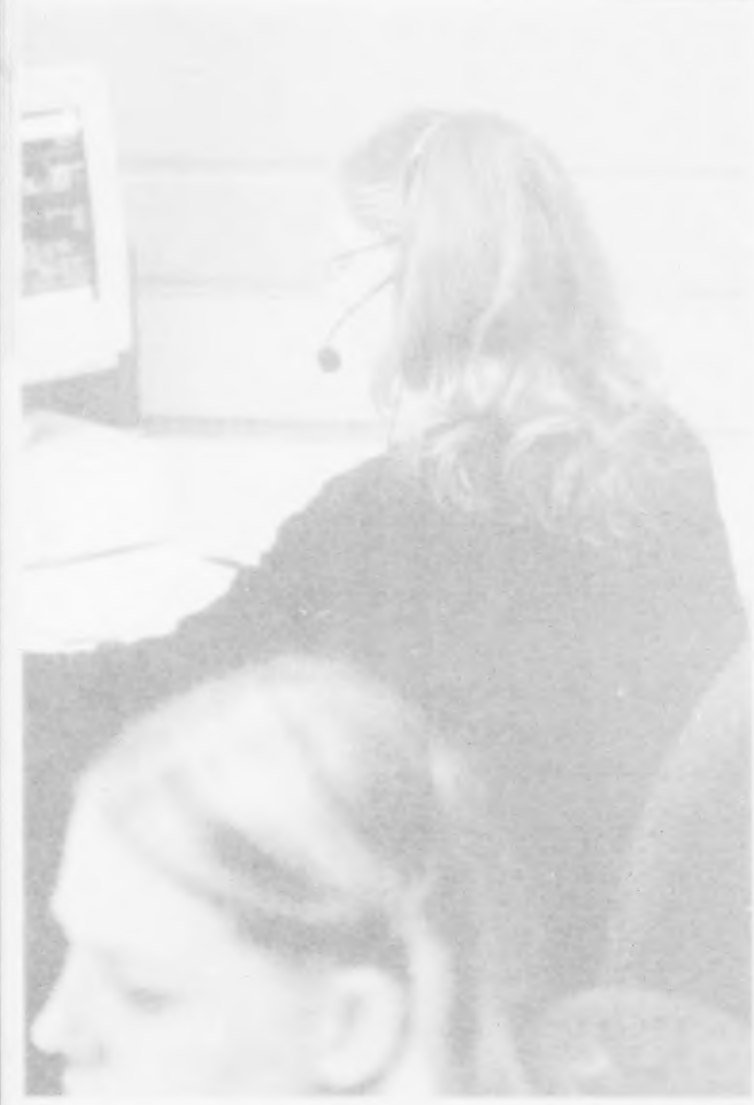
- Recognizing the unique challenges facing winter wheat producers in northern regions of the province, AGRICORP expanded the plan expanded to northern Ontario.
- In response to the disaster faced by soybean growers across the province in 2002, AGRICORP developed a quality factor for green soybeans, to enhance the existing crop plan, for implementation in 2003.
- We continued product innovation for the agri-food industry through expansion of the forage rainfall plan, the first-ever weather derivative program offered in Canada. The design and implementation of this plan has brought AGRICORP international recognition.

We are very excited about the outlook for the future. We have initiated a number of targeted products on a pilot basis, which will clarify our role in helping our customers meet their specific market needs. Verification services, including traceability and management of information, are a high priority for the agri-food industry, and we believe that AGRICORP can play an important role as an independent and efficient delivery service. AGRICORP is establishing its niche in the market through continual market analysis and the development of partnerships to pilot verification services for the credible assessment of farm product quality in Ontario.

Managing Risk

As a provider of Crop Insurance, AGRICORP understands the importance of managing risk. We apply the same principle to protecting the Crop Insurance Fund, our infrastructure, and our staff. Here are a few of the strategies we invested in last year:

- Our risk management strategy continues to include the purchase of private reinsurance. Despite another challenging year for producers, there was no reinsurance claim in 2002. However, having a reinsurance program in place provides several longer-term benefits. In addition to preserving the Crop Insurance Fund, reinsurance helps stabilize premium rates and keep rates affordable. It also protects the Government of Ontario against unnecessary financial exposure.
- AGRICORP has taken steps over the past two years to ensure our continued ability to deliver services in the event of a disaster. Contingency plans were developed to replicate our operating environment.



including hardware, software and data components, in a different physical location if a disaster occurs. In the event of a disaster, we are prepared to serve our customers, business as usual.

- Our Joint Health and Safety Committee makes employees aware of health and safety risks in our environment and provides information about safety issues that apply to both their work and home lives.

Understanding Customer Needs

We strive to develop and maintain strong, productive relationships with farm groups and their customers. In 2002, AGRICORP met with commodity groups, general farm organizations, potential partners, and farmers to discuss current program offerings, enhancements, and long-term needs. Industry consultation is an ongoing process to ensure that we are meeting the increasingly sophisticated needs of the agri-food industry.

Over the past year, we were able to better clarify market needs and opportunities by conducting a thorough assessment of internal and external change forces in the marketplace. Understanding these forces will enable AGRICORP to develop strategies to target relevant market opportunities in response to industry needs.

We continue to work with industry to conduct business analysis on food safety, quality, and identity preservation processes for the verification market, in addition to the Agricultural Policy Framework and enhanced crop insurance. This market continues to evolve rapidly, so AGRICORP will continue to monitor the market for current trends, market potential, and an understanding of the competitive environment.

Community Investment

People are the backbone of any organization. Our staff have a strong spirit of commitment to agriculture and to the farm community.

- AGRICORP believes in supporting the advancement of agriculture and leadership within the industry. We are proud to sponsor both 4-H Ontario and the Advanced Agricultural Leadership Program. AGRICORP's commitment to these programs extends beyond financial support. We strongly encourage staff to support and participate in these and similar programs as a means of enriching their careers and our corporate community.
- The AGRICORP Employee's Charity and Social Funds are proud contributors to Ronald McDonald House in Hamilton. Since 1997 we have donated over $15,000 in support of this worthy cause.
- AGRICORP employees also sponsored the 1st Annual Ron Ellis/CMHA Golf Classic in support of the Canadian Mental Health Association's efforts to raise awareness of mental health issues in our community.

Overview of Programs and Services

Crop Insurance

Crop insurance is a federal-provincial program that protects farmers against yield reduction caused by adverse weather. The Canada-Ontario Crop Insurance Program was introduced in Ontario in 1967. Since the program's inception, Ontario farmers have received over $1.5 billion in claim payments, in addition to other benefits including collateral, improved cash flow, and peace of mind.

Insurance coverage is available on 56 commercially grown crops grown in Ontario. AGRICORP continues to enhance these plans while positioning itself as a world leader in product design and implementation, with initiatives such as the first-ever weather-related insurance coverage for forage.

Administrative costs are shared equally between the two levels of government. AGRICORP is recognized as the most efficient deliverer of crop insurance in Canada. Over 19,000 Ontario farmers currently have crop insurance, which represents more than 4 million acres and $1.5 billion worth of coverage annually. Ontario producers also have access to the highest crop insurance coverage in North America.

Market Revenue

Currently, there is no federal-provincial Market Revenue agreement beyond the 2002 crop year. However, AGRICORP is committed to delivering on the commitments for 2002 and is prepared to deliver the program again in 2003 if directed to do so.

Grain Financial Protection Program

The Grain Financial Protection Program protects the financial interests of Ontario producers who sell grain corn, soybeans, and canola to licensed dealers, or who store grains or oilseeds with licensed elevator operators. Under contract to the Ontario Ministry of Agriculture and Food, AGRICORP licenses 325 grain dealers and 245 elevator companies in 400 locations across Ontario. Annual grain sales covered by the program amount to more than $1.1 billion. The program is funded by the Ministry, producers and grain dealers.

Dairy Credit Program

The Dairy Credit Program protects the financial interests of milk producers by assessing the credit worthiness of provincial dairies. AGRICORP analyzes the quarterly and annual financial statements of Ontario's 50 dairy processing plants, which purchase $1.5 billion worth of milk from producers each year. AGRICORP delivers the Dairy Credit Program under contract to the Dairy Farmers of Ontario.

Verification Programs and Services

Plum Pox

AGRICORP is under contract to the Ontario Ministry of Agriculture and Food to support the federal and provincial governments' strategy to eradicate plum pox in Ontario. Specifically, in the Niagara region, AGRICORP conducts a general detection survey of orchards and a limited detection survey of specific ornamental trees and shrubs in urban areas. In 2002, over 200,000 orchard samples and over 24,000 residential samples were taken. The collection cost to government was reduced by 30% over the 2001 per sample cost.

AGRICORP also delivers financial assistance to commercial fruit growers and nursery operators whose orchards or stock have been affected by the virus. To date, AGRICORP has delivered approximately $5.7 million in asset loss assistance.

Tobacco Sampling
Under contract to the Ontario Flue-Cured Tobacco Growers' Marketing Board, AGRICORP samples tobacco deliveries in order to ensure provincial standards are maintained.

Product Verification
Under contract with the Canadian Egg Marketing Agency (CEMA), AGRICORP provides product verification services to help ensure market stability in the egg production industry. AGRICORP's service accomplishes three objectives:

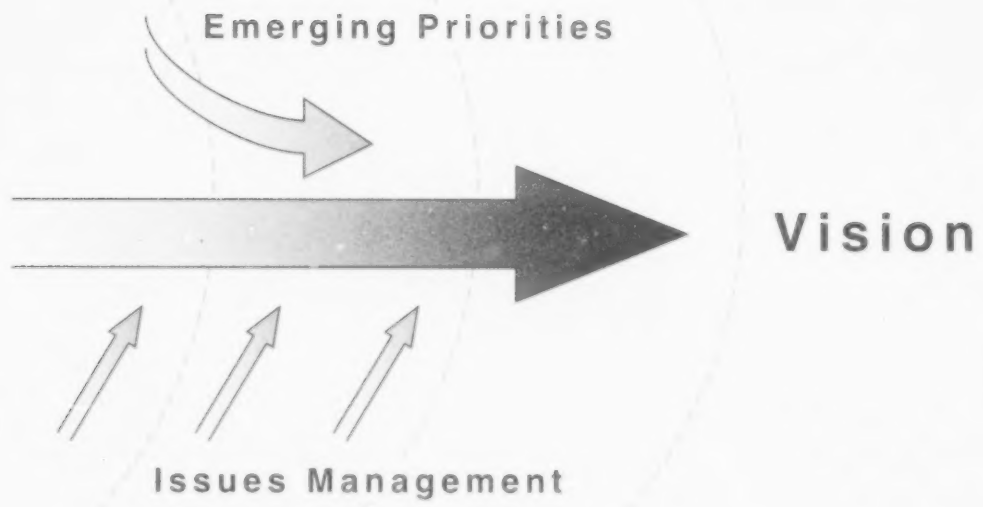
- Verify that shipments destined for egg-breakers do indeed arrive at the plant
- Verify that the shipment weights and measures are accurate
- Verify that the egg shipments received are broken and processed, and do not enter the marketplace as fresh eggs.

Quality Assurance
Under an alliance agreement with the Canadian Grain Commission, AGRICORP provides product-sampling services of grain shipments. Under contract with various marketing agencies, AGRICORP provides product-sampling services for quality surveys.

Value-Added Services

Farm Business Registration
AGRICORP delivers the Farm Business Registration Program under contract with the Ontario Ministry of Agriculture and Food. Under the program, farm businesses that declare gross farm income of $7,000 or more are required to register annually. In addition to managing the collection and disbursement of registration fees, AGRICORP collects farm production data to assist the Ministry in developing sound public policy. In 2002, AGRICORP processed over 50,000 applications, which generated over $7.6 million for the general farm organizations in Ontario.

Relevant Products for a Changing Industry



As the agri-food industry changes, so does the business environment in which AGRICORP operates. These changes present AGRICORP with a number of new opportunities. For example, the Agricultural Policy Framework (APF) has the potential to enhance government-sponsored risk management programs, including crop insurance, AGRICORP's traditional core product. And the call by consumers for specific food attributes and for food safety is creating a demand for verification services throughout the food supply chain.

To prepare for these changes, AGRICORP has developed a three-year strategic plan entitled "Relevant Products for a Changing Industry". The goal of this plan is to transform AGRICORP from its established role as a deliverer of subsidized crop insurance to that of a provider of diverse risk management and verification products and services. The plan provides both clear priorities for the years ahead and the necessary flexibility to respond to emerging priorities and issues.

Phase One of this plan is AGRICORP's business plan for 2003/04. The four strategic objectives for the next fiscal year are as follows:

- **Sound operations:** We will create a secure foundation on which to build new business by strengthening our relationships with stakeholders and reinforcing our internal processes.

- **Continuous improvement:** Continuous improvement of how we plan, enhance existing products, and develop new ones will ensure the highest integrity and quality of those products.
- **Effective communications:** By engaging in open dialogue with internal and external customers, we will ensure that we are sensitive to their immediate and long-term needs.
- **Learning organization:** We will strive to create a learning organization that encourages innovation and superior performance through the development and enhancement of skills and adoption of technology.

As we continue to focus on the products and services that support and enhance farm sustainability and profitability, we will develop our business in four key areas: business risk management, verification, administration, and information services. We will explore innovative and targeted risk management products that complement our existing infrastructure. Services such as traceability and management of information are a high priority for the agri-food industry. AGRICORP will focus on the on-farm and handling side of the supply chain verification market.

Financial Highlights

Crop Insurance Fund

For the 2002 crop year, premiums totalled $97.7 million, an increase of 38% over the previous year. The three major contributors to this increase were:

- Higher premium rates resulting from the extraordinarily high claim levels of the 2000 and 2001 crop years, which totalled almost $400 million
- Increased value of the crops insured, resulting in a 13% increase in liability
- An increase of 6.4% in the number of insured acres.

Claims for the 2002 crop year amounted to to over $143 million, the fourth largest payout in the Fund's 36-year history.

The result was an operating loss of $51.8 million, which reduced the Fund balance to $140.7 million.

Table 1 compares producer premiums to claims paid for the two largest crop losses in 2002:

Table 1: Producer Premiums and Claims Paid for 2002 Corn and Soybeans

Crop	Producer Premium	Claims Paid
Soybeans	$15.3 million	$52.4 million
Corn	$15.1 million	$55.9 million

Interest and investment income totalled $10.9 million for the year, a decrease of 40% over the previous year. This result was due mainly to the lower Fund balance, as well as lower market rates of return. Interest and investment income as a percentage of Fund balance for 2002/03 was 5.67%, compared to 6.13% the previous year.

Investments are managed according to legislative requirements and Board approved policies, with oversight by the Board of Directors and quarterly reviews by external auditors.

Market Revenue Program

The current Canada-Ontario Market Revenue agreement expired at the end of the 2002 crop year. For that year, the program covered 90% of the average farm yield and 90% of the 15-year indexed average price. The program is lagged by one year to allow for collection of price data. For crops whose average market price in 2001 fell below the support price, payouts were calculated and sent to registered grain and oilseed producers. The producers' payouts were reduced by 1/3 in lieu of producer premiums.

In 2002, $47.4 million was distributed to registered Ontario producers for the 2001 crop year, reducing the Market Revenue Fund balance to $92.1 million.

General Fund

The General Operating Fund is used to cover expenses for the management and administration of the Crop Insurance Fund and Market Revenue program. These costs are shared equally between the governments of Ontario and Canada.

The Fund also includes revenues and expenses relating to the operation of AGRICORP Business Services (ABS). Services provided by ABS include sampling, financial protection, Farm Business Registration, and cheque production for agricultural support programs. Revenue totalled $6.5 million, an increase of 57% over the previous year, mainly due to increased sampling for the Plum Pox program.

Management Responsibility

Management's Responsibility For Financial Reporting

The accompanying financial statements and the financial information in the annual report have been prepared by management. The financial statements have been prepared in accordance with generally accepted accounting principles. Management is responsible for the accuracy, integrity and objectivity of the information contained in the financial statements. Financial information contained elsewhere in the annual report is consistent with that contained in the financial statements.

The financial statements include some amounts, such as provision for unsettled indemnities that are necessarily based on management's best estimates and have been made using careful judgement.

In discharging its responsibility for the integrity and fairness of the financial statements, management maintains financial and management control systems and practices designed to provide reasonable assurance that transactions are authorized, assets are safeguarded and proper records are maintained. The systems include formal policies and procedures and an organizational structure that provides for appropriate delegation of authority and segregation of responsibilities.

The Board of Directors is responsible for ensuring management fulfills its responsibilities for financial reporting and internal control. The Board meets regularly to oversee the financial activities of the Agency and annually reviews the financial statements.

The financial statements have been examined independently by the Office of the Provincial Auditor on behalf of the Legislature and the Board of Directors. The Auditor's Report outlines the scope of their examination and expresses their opinion on the financial statements of the company.

Randy Jackiw
Chief Executive Officer

Rolly Stroeter
Chief Financial Officer

Office of the
Provincial Auditor
of Ontario

Bureau du
vérificateur provincial
de l'Ontario

Box 105, 15th Floor, 20 Dundas Street West, Toronto, Ontario M5G 2C2
B.P. 105, 15e etage, 20, rue Dundas ouest, Toronto (Ontario) M5G 2C2
(416) 327-2381 Fax: (416) 327-9862

Auditor's Report

To AgriCorp
and to the Minister of Agriculture and Food

I have audited the balance sheet of Agricorp as at March 31, 2003 and the statements of operations and fund balances, and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in material respects, the financial position of the Corporation as at March 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Toronto, Ontario
June 6, 2003

J.R. McCarter, CA
Assistant Provincial Auditor

Balance Sheet
As of March 31, 2003

	2003 ($ 000)	2002 ($ 000)
Assets		
Cash	$ 1,723	$ 3,294
Accounts receivable (Note 4)	24,782	52,092
Funds under administration (Note 5)	12,461	13,472
Investments (Note 6)	150,307	202,527
Due from the Minister of Finance (Note 7)	96,418	141,099
Capital assets (Note 8)	1,102	987
	$ 286,793	$ 413,471
Liabilities and Fund Balances		
Liabilities		
Accounts payable and accrued liabilities	$ 1,554	$ 4,398
Unearned premiums and revenue (Note 9)	20,804	11,347
Provision for unsettled indemnities	13,021	65,542
Funds under administration payable (Note 5)	12,461	13,472
	$ 47,840	$ 94,759
Fund Balances (Notes 1 and 13)		
General Fund	$ 6,067	$ 4,213
Ontario Crop Insurance Fund	140,731	192,564
Market Revenue Program	92,155	121,935
	$ 238,953	$ 318,712
	$ 286,793	$ 413,471

See accompanying notes to financial statements.

On behalf of the Board:

Chair

Chief Executive Officer

AGRICORP

Statement of Operations and Fund Balance – General Fund
For the Year Ended March 31, 2003

	2003 ($ 000)	2002 ($ 000)
Revenue		
Operating funding (Note 10)	$ 10,510	$ 9,366
Sales, consulting and other services	6,497	4,124
Interest Income	59	151
Reinsurance adjusting costs received (Note 11)	—	1,905
	$ 17,066	$ 15,546
Expenses		
Selling, general and administrative	$ 14,580	$ 12,288
Depreciation	632	571
	$ 15,212	$ 12,859
Excess of revenue over expenses	$ 1,854	$ 2,687
Fund balance, beginning of year	$ 4,213	$ 1,526
Fund balance, end of year	$ 6,067	$ 4,213

See accompanying notes to financial statements.

Statement of Operations and Fund Balance – Ontario Crop Insurance Fund
For the Year Ended March 31, 2003

	2003	2002
	($ 000)	($ 000)
Revenue		
Premiums from insured producers	$ 48,823	$ 35,214
Premium funding – Ontario and Canada (Note 3)	48,823	35,214
Interest and investment income	10,929	18,444
Reinsurance received (Note 11)	39	71,752
Bad debt recoveries	41	130
	$ 108,655	$ 160,754
Expenses		
Indemnities (Note 12)	$ 143,447	$ 261,276
Reinsurance (Note 11)	17,041	7,679
	$ 160,488	$ 268,955
Excess (deficiency) of revenue over expenses	$ (51,833)	$ (108,201)
Fund balance, beginning of year	$ 192,564	$ 300,765
Fund balance, end of year	$ 140,731	$ 192,564

See accompanying notes to financial statements.

AGRICORP

Statement of Operations and Fund Balance – Market Revenue Program
For the Year Ended March 31, 2003

	2003	2002
	($ '000)	($ '000)
Revenue		
Premium funding – Ontario and Canada (Note 3)	$ 14,579	$ 45,047
Interest income	3,089	5,726
	$ 17,668	$ 50,773
Expenses		
Indemnities (Note 12)	$ 47,448	$ 61,282
Excess (deficiency) of revenue over expenses	(29,780)	(10,509)
Fund balance, beginning of year	$ 121,935	$ 132,444
Fund balance, end of year	$ 92,155	$ 121,935

See accompanying notes to financial statements.

Statement of Cash Flows
For the Year Ended March 31, 2003

	2003 ($ 000)	2002 ($ 000)
Cash Flows from Operating Activities		
Excess (deficiency) of revenue over expenses		
• General Fund	$ 1,854	$ 2,687
• Ontario Crop Insurance Fund	(51,833)	(108,201)
• Market Revenue Program	(29,780)	(10,509)
Adjustments to reconcile net income to funds provided by operating activities		
• Depreciation	632	571
• Net change in working capital	$ 26,083	$ 24,496
Cash flows from operating activities	$ (53,044)	$ (90,956)
Cash Flows from Investing Activities		
Purchase of capital assets	(747)	(846)
Decrease in investments	$ 52,220	$ 91,473
Cash flows used in investing activities	$ 51,473	$ 90,627
Net increase (decrease) in cash	(1,571)	(329)
Cash at beginning of year	$ 3,294	$ 3,623
Cash at end of year	$ 1,723	$ 3,294

See accompanying notes to financial statements.

AGRICORP

Notes to Financial Statements, March 31, 2003

1. Nature of Operations

The AgriCorp Act, 1996 established AgriCorp as a new Crown agency effective January 1, 1997. The Corporation was established without share capital. Its mandate is to design and deliver agricultural safety net plans and other food products and services to the farm, food and rural sectors of Ontario. Current safety net programs include Crop Insurance and the Market Revenue Program.

The Ontario Crop Insurance Fund was established in 1966 and currently operates pursuant to the Crop Insurance Act (Ontario), 1996. The program provides growers with protection on all major crops grown in Ontario, against yield reduction caused by natural perils.

The Market Revenue program was established pursuant to the Interim Gross Revenue Insurance Plan (GRIP) agreement established by the Government of Canada with the provinces and commenced operations on April 1, 1991. The Program protects farmers against reduced income caused by low market prices of certain designated crops.

In January 2001, AgriCorp assumed responsibility from the Ontario Ministry of Agriculture and Food for the delivery of the Farm Business Registration Program established under the Farm Registration and Farm Organizations Funding Act, 1993. AgriCorp's obligations under an agreement with the Ministry primarily include registration of farm businesses, collection of registration fees and, after deducting an administrative charge, forwarding the net fees to Ontario's accredited General Farm Organizations.

2. Significant Accounting Policies

(a) Basis of Accounting

The Corporation's financial statements are prepared in accordance with generally accepted accounting principles as prescribed by the Canadian Institute of Chartered Accountants.

(b) Capital Assets

Capital assets are stated at cost less accumulated depreciation. Depreciation is provided using the straight line method over the estimated useful life of the assets as listed below.

Furniture and fixtures	4 years
Vehicles	4 years
Machinery and equipment	4 years
Computer hardware	3 years
Computer software	2 years
Leasehold improvements	remaining life of the lease

(c) Pension Plan

Full-time employees participate in a mandatory contributory defined benefit pension plan administered by a third-party administrator. The Corporation matches employees' contributions. The cost of pension benefits for the defined benefit plan is determined by an independent actuary using the projected benefit method prorated on services and management's best estimates. Pension plan assets are valued using current fair values and any adjustments are amortized on a straight-line basis over the actuarial average remaining service life of the employee group.

(d) Investments

Interest income, gains and losses on disposal, amortization of premiums and discounts and write-downs to market value are reported in investment income. Market Revenue, Crop Insurance and General Fund cashflows and investments are segregated avoiding the need for allocation of investment income. Short-term investments are acquired primarily for the purpose of liquidity and are intended to be held for less than one year. Short-term investments are carried at cost which approximates market value. Long-term investments are recorded at cost net of accumulated premiums and discounts amortized over the term to maturity.

(e) Provision for Unsettled Indemnities

Provision for unsettled indemnities represents management's best estimates of amounts to be paid. Some commodity price variables for the Market Revenue Program payment calculations cannot be finalized until the end of the 2003 calendar year. Certain Crop Insurance claims remained unsettled at year-end and were either quantified based on settlement amounts after year-end or management estimates were made.

(f) Revenue Recognition

Premiums received in the period are deferred for crops which will be harvested subsequent to the end of the fiscal year.

3. Canada-Ontario Cost Sharing Agreements

(a) Crop Insurance

The current Canada-Ontario Crop Insurance Agreement came into effect April 1, 1997 and has no explicit expiry date. It can be terminated by either party with advance notice of two complete fiscal years. Under the terms of the Agreement, the Province and the Federal government share equally the cost of 50% of the premium with the producers paying the remaining 50%. The two levels of government share equally the selling, general and administrative expenses.

(b) Market Revenue

In March 2002, the Governments of Canada and Ontario extended the Canada-Ontario Market Revenue Agreement to include the 2001 and 2002 crop years. Under the terms of the Agreement, the Federal government is required to contribute $10 million to the Market Revenue Program on November 1st of each year subject to the availability of funds. Ontario's contribution to the program is based on the residual funds available after deducting the contributions made to other programs from the total amount appropriated annually for safety net support. The Province and the Federal government each share equally in the cost of the selling, general and administrative expenses.

Notes to Financial Statements, March 31, 2003

4. Accounts Receivable

Accounts receivable consist of the following:

	2003 ($ 000)	2002 ($ 000)
Government funding	$ 17,960	$ 48,562
Accrued interest	6	9
Producer premiums, net	6,021	2,786
Trade	$ 775	$ 735
	$ 24,782	$ 52,092

5. Funds Under Administration

The Corporation provides cheque production and cash management services for agricultural programs under various agreements with the Ontario Ministry of Agriculture and Food. The funds required to make payments under these programs are provided by Ontario and Canada.

	2003 ($ 000)	2002 ($ 000)
Funds Under Administration		
Short-term investments	$ 10,452	$ 2,396
Cash (Outstanding payments)	1,954	11,076
Other	$ 55	$ —
	$ 12,461	$ 13,472
Funds Under Administration Payable		
Ontario Whole Farm Relief Program	$ 3,021	$ 2,446
Ontario Farm Income Disaster Program	8,863	4,503
Canada Grain Stabilization Payment	20	6,282
Ontario Farm Business Registration Program	169	92
Other	$ 388	$ 149
	$ 12,461	$ 13,472

6. Investments

Legislation restricts the Corporation's investments to highly liquid, high grade instruments such as federal and provincial bonds, deposit notes issued by domestic financial institutions and other securities approved by the Minister of Finance.

(a) Portfolio Profile

Investments are as follows:

	2003 ($ 000)		2002 ($ 000)	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Short-term	$ 19,535	$ 19,473	$ 33,627	$ 33,722
Long-term				
Government of Canada	$ 20,382	$ 20,928	$ 20,706	$ 20,721
Province of Ontario	25,708	26,813	32,391	32,837
Other provincial governments	28,825	29,577	34,199	33,826
Provincial utilities	45,713	47,214	47,198	46,843
Other financial institutions	10,144	10,152	34,406	32,968
Total long-term	$ 130,772	$ 134,684	$ 168,900	$ 167,195
Total Investments	$ 150,307	$ 154,157	$ 202,527	$ 200,917

(b) Investment Risk

The coupon rates for the long-term bond portfolio ranged from 5.0% to 10.25% with a weighted average yield of 5.81%. Fluctuations in interest rates could have a significant impact on the market value of the bond portfolio. Although bonds are generally held to maturity, realized gains or losses could result if actual claims levels differed significantly from expected claims and quick liquidation of assets were required to meet obligations. At March 31, 2003, a 1% move in interest rates could impact the market value by approximately $4.6 million.

(c) Maturity Profile of the Investment Portfolio

	2003 ($ 000)	2002 ($ 000)
<1 Year	$ 19,535	$ 33,627
1-3 Years	56,096	25,828
3-5 Years	37,727	65,394
>5 Years	$ 36,949	$ 77,678
Total	$ 150,307	$ 202,527

Notes to Financial Statements, March 31, 2003

7. Due from the Minister of Finance

Pursuant to Order-in-Council 1546/91, an account has been established in the Ontario Government's Consolidated Revenue Fund to receive Market Revenue Program contributions from Canada and Ontario. Interest is paid quarterly on the account's average daily closing value based on the average Bank of Canada treasury bill rate. This account is used to administer the Program and cannot be accessed for the general operating, financing and investing activities of AgriCorp.

8. Capital Assets

	March 31, 2003			2002
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	$'000	$'000	$'000	$'000
Computer hardware	$ 2,613	$ 1,805	$ 808	$ 846
Computer software	1,307	1,080	227	65
Leasehold improvements	153	119	34	9
Machinery and equipment	122	91	31	61
Vehicles	36	36	—	—
Furniture and fixtures	$ 18	$ 16	$ 2	$ 6
	$ 4,249	$ 3,147	$ 1,102	$ 987

9. Unearned Premiums and Revenue

Unearned premiums represent premiums paid in advance to the Ontario Crop Insurance Fund for winter wheat ($11.87 million), forage ($3.07 million) and other crops ($4.72 million). These crops are not harvested until after the end of the fiscal year giving rise to the deferral of the premiums. Unearned revenue ($1.14 million) includes operating funding related to the unamortized value of capital assets.

10. Operating Funding

Canada and Ontario have agreed to share equally the costs of administering the Ontario Crop Insurance Fund and the Market Revenue Program. The Federal contribution shall not be more than the provincial share even if that amounts to less than 50% of the incurred costs. Based on a reasonable estimate of the administrative workload, these costs are allocated to the Fund and Program 95% and 5%, respectively.

11. Reinsurance Agreement

The Corporation has an ongoing program of reinsurance with a number of insurance carriers. This program provides for the reinsuring companies to assume crop insurance losses based on negotiated thresholds. Payments made by reinsurance companies represent claims submitted for crop losses as well as adjusting costs incurred by the Corporation.

12. Indemnities

The Ontario Crop Insurance Fund's operating results for the current period includes a $0.35 million under-provision for unsettled indemnities as at March 31, 2002 (2001 – $2.15 million under-provision for indemnities). In addition, the Ontario Crop Insurance Fund's operating results for the current period include a provision for unsettled indemnities relating to the 2002 crop year of $1.02 million (2001 – $1.3 million).

The Market Revenue Program's operating results for the current period includes a $35.45 million under-provision of unsettled indemnities as at March 31, 2002 (2001 – $2.9 million over-provision). In addition, the Market Revenue Program's operating results for the current period include a provision for unsettled indemnities relating to the 2002 crop year of $12 million (2001 – $64.2 million).

13. Segmented Information

	General Fund	Crop Insurance Fund	Market Revenue Program	Total 2003	Total 2002
Assets					
Cash	$ 1,118	$ 605	$ —	$ 1,723	$ 3,294
Accounts receivable	1,709	15,030	8,043	24,782	52,092
Funds under administration	12,461	—	—	12,461	13,472
Investments	4,436	145,871	—	150,307	202,527
Due from the Minister of Finance	—	—	96,418	96,418	141,099
Capital assets	1,102	—	—	1,102	987
Inter-fund receivables (payables)	265	—	(265)	—	—
	$ 21,091	$ 161,506	$ 104,196	$ 286,793	$ 413,471
Liabilities					
Accounts payable and accrued liabilities	$ 1,426	$ 87	$ 41	$ 1,554	$ 4,398
Unearned premiums and revenue	1,137	19,667	—	20,804	11,347
Provision for unsettled indemnities	—	1,021	12,000	13,021	65,542
Funds under administration payable	$ 12,461	$ —	$ —	$ 12,461	$ 13,472
	$ 15,024	$ 20,775	$ 12,041	$ 47,840	$ 94,759
Fund Balances	$ 6,067	$ 140,731	$ 92,155	$ 238,953	$ 318,712

Notes to Financial Statements, March 31, 2003

14. Pension Plan

The Corporation has a mandatory contributory defined benefit plan for its full-time employees. The plan was set up effective January 1, 1997. Plan assets are invested in three balanced funds and one global equity fund.

	2003	2002
	($ 000's)	($ 000's)
Fair value of plan assets - beginning	$ 2,312	$ 1,873
Contributions by the corporation	286	257
Contributions by the employees	286	257
Benefit payments	(132)	(169)
Return on plan assets	$ (289)	$ 94
Fair value of plan assets – ending	$ 2,463	$ 2,312

Based on a financial statement prepared by the plan's actuary, the present value of the accrued pension obligation and the fair value of the net assets available to provide for the obligation, are as follows:

	2003	2002
	($ 000's)	($ 000's)
Accrued pension obligation	$ 3,119	$ 2,447
Fair value of plan assets	$ 2,463	$ 2,312
Pension plan surplus (deficit)	$ (656)	$ (135)

The pension plan remained in a deficit during the fiscal year due to low investment returns. Certain assumptions were made in determining the pension obligation. Plan assets were assumed to earn 7.5% per year, salary escalation was assumed to be 5% per year and 7% was used as the discount rate.

To date, the Corporation has an accrued pension benefit liability as follows:

	2003	2002
	($ 000's)	($ 000's)
Accrued benefit liability – beginning	$ 54	$ 33
Pension expense for the year	317	278
Contributions by the corporation	$ (286)	$ (257)
Accrued benefit liability – ending	$ 85	$ 54

15. Related Party Transactions

The Corporation has entered into several agreements to acquire services from the Ontario Ministry of Agriculture and Food. Under the terms of the agreements the Corporation paid the Ministry $337,492 during the year. These services, assessed at fair market value, include the utilization of postage, courier, copy, and legal services. In addition, the Corporation paid the Ontario Realty Corporation $317,767 to rent their head office location.

16. Board Renumeration and Salary Disclosure

Total remuneration to members of the Board of Directors was $43,587 during the year ending March 31, 2003 (2002 – $47,470).

The Public Sector Salary Disclosure Act, 1996, requires the Corporation to disclose employees paid an annual salary in excess of $100,000. For the 2002 calendar year, there were no employees requiring disclosure.

17. Lease Commitments

The Corporation is committed under an operating lease on leased premises with future minimum rental payments due as follows:

		($ 000)
2004	$	357
2005		357
2006	$	357
	$	1,071

AGRICORP Board

The AGRICORP Board of Directors

AGRICORP's Board, from left to right, top row: Larry Van Acker, Ron Pearson, Owen Dobbyn, Herm Dick (centre), Philip Andrewes (Chair), Dave.Hope, Klaus Wand.

Second row: Michel Soenens, Maurice Waddick, Henry Aukema.

Absent: Lynne Cohoe, Vice Chair, John Shrubb, Director.

Officers: Randy Jackiw, Chief Executive Officer
Rolly Stroeter, Treasurer
Lee Ann Lennox, Corporate Secretary

AGRICORP Staff

Trevor Acott
Erin Adams
Donna Ahrens
Sara Andres
Eileen Angeles
Karen Arbour
Sandra Augusto
Harry Bardoel
John Barkovic
Michael Becker
Michael Beckett
Bert Beilke
John Bell
Donald Bell
John Bellamy
Albert Bennink
Curtis Bernard
Robert Birtch
Joan Blackwood
Ellen Blenkiron
Stephanie Blenkiron
Charlene Boutot
Lanna Bowman
Terri Bradmore
Alex Braun
Ian Brebner
Ronald Brooks
Eric Brouwer
Greg Brown
Dennis Brown
Stephen Bryant
Stephen Bujas
Doug Burchill
Jennifer Burdick
James Byers
Marty Byl
Glen Campbell
Katherine Campbell
Brad Carberry
Pauline Carmichael
Angela Carson
Jeanette Carter
Amanda Carver
Lisa Cathcart
Richard Charlebois
Peter Charlton
Joanne Chillingsworth
Matthew Cole
Bill Collins
David Connery
Kristen Coring
Ron Cragg
Ford Crawford
Amanda Creighton
Lauren Cripps
Robert Cruickshank
Paul Cudmore
Janice Culpeper
Brian Curtis
Jennifer Daubney
Keith Davenport
Carolyn Davidson
Ruth Day
Edward DeDecker
Larry Dejaegher
Susan Delafield
Robert Deller
Gamini Delungahwatta
Peter Den Otter
Bart Derbis
Jennifer Desgagnes
Vita Di Leo
Robert Dick
Roger Donais
Dale Dowswell
Ronald Drouin
Niel Edgar
Peter Edisbury
Isaac El Serafi
Jason Emke
Murray Emke
Masoud Ensafi
Paul Epp
Karen Epp
Hans Ewald
Jocelyn Felipe
Mary Ferguson
Dave Fischer
Peter Fisher
Heather Fittante
Ralph Fitzpatrick
Jessica Flynn
Veronica Fodor
Valve Forrest
Sarah Frankis
Bruce Fraser
Harry Fraser
Peter Garner
Rudy Garner
Philippe Gasser
Wayne Gayman
Roger Geysens
Katie Gill
Graham Glasgow
Matthew Glyn-Williams

AGRICORP Staff, continued

Erin Goldhawk
John Good
Wendell Gourlay
Sean Grace
Joanna Grace
Douglas Green
Kim Green
Kevin Greer
Brenda Grieve
Don Grimshaw
Leo Guilbeault
Geoffrey Guy
Maureen Hagan
Jeff Hagen
Pauline Hall
Kelly Ann Haluska
Julie Harlow
Rozina Haskett
Brian Hasselfelt
Richelle Hefferman
Christina Hein
Michelle Herlick
Betty-Jo Hogan
Kathy Hollands
John Huiser
Nina Iourkova
Stephen Ip
Andrea Iturriaga
Randy Jackiw
Jack Johnson
Heather Johnston
Russell Jull
Reg Kaus
Robin Keith
Shannon Keith
Jamie Kemp
Ron Kendrick
Ashley Kier
Susy Kilby
Jim Konecny
Paul Kopal
Jamie Kreutzwiser
Wendy Kuran
Roger Lafferty
Andrea Lance
Denis Landriault
Stephanie Lavigne
Kimberly Leach
Rejean Leclerc
Theo Leenders
Peter Lenders
Lee Ann Lennox
Yvon Levac
James Little
Lindsay Loeffen
Heidi Loewen
Jim Louks
Claudia Lu
Teresa MacNeil
Ahmed Mahamed
Lori-Ann Marshall
Melissa Marshall
Sarah Mather
Laura McDonald
Bill McDonald
David McDowell
Dave McEachren
John McEwen
Sam McGee
Melissa McGinnity
Sean McGowan
Ronald McKay
Bill McKellar
Robert McKerrall
James McKinlay
Kimberly McNeil
Andy McNiven
Norman McWaters
Cynthia Meikle
William Meinen
Stephanie Merritt
Mark Middleton
Jim Millard
Kristin Miller
Amal Mohamud
Lorne Montgomery
Salvador Moran
Shaun Morrison
William Mous
Allan Moynes
Angela Muggridge
Wayne Myers
Colleen Myronyk
Mark Neufeld
Alfred Neuham
Jamie Nicholls
Brent Nickel
Gail Nisbet
Salmaan Noaman
David Norman
Marlyn O'Connor
Karen O'Reilly
Margaret Orton
Donald Orton
Paul Orton
Ronald Oswald
Tyler Paroshy
Dean Patterson
Keith Patterson
Cara Pauls
Jamie Payton
Robert Peel
Kees Peeters
Bai Peng
Gord Phillips
Andreana Pine
Susan Pohorly
Laura Poirier
Irene Poredos
Gerald Poupart
Lee-Ann Proteau
Bill Quipp
Rico Ramos
Greg Rankin
Paul Renkema
Alan Renning
Robyn Richard
Arthur Rivest
Barry Roberts
Amanda Rolph
Michael Rosenberger
Uldis Roze
Elizabeth Sanders
Janette Sandham-Aiken
James Sangster
Herman Schaap
Peter Schauteet
Tom Schieck
Heidi Schulz
John Schuurs
Edward Scott
Shannon Scull
John Seabrook
John Shepherd
Husseinali Shivji
Anna Siderius
Gail Simkus
Wanda Smithers
Michael Smyth
Louis Soetemans
Robert Spriet
Reg Starr
Michael Steele
Stephen Steinbeck
Chester Stenclik
Scott Stephens
Brad Stevenson
Scott Stewart
Eric Stockwell
Rosaire St-Pierre
Amy Strange
Rolly Stroeter
Cheryl Swann
Anna Szybka
Margaret Taggart
Nicola Tarrant
Peter Thompson
Fred Thomson
John Timmermans
Bill Timmons
Karel Tomecek
Andrew Topp
Mary Treitz
Matt Tulloch
John Tunks
Keith Turnbull
Jason Twardawa
Steve Underhill
Jennifer van Lier
Charles Van Parys
Stephanie Van Ruyven
Josh Van Wieren
Gilbert Vansteelandt
Richard Veenstra
Nick Verburg
Ernest Villneff
Mike Virag
Michael Vlcek
Rose Vlcek
Patricia Wales
Barry Walker
Glen Walker
Maryanne Walker
Robin Wallace
Tara Walters
William White
Murray Wideman
David Williams
Kristin Williamson
Theresa Wilson
Jennifer Winmill
Kent Wolfe
Roxana Wong
Ed Wright
Rodney Wright
Sandra Yee
Dennis Yellowlees
Karl Yung
Melody Zapanta
Maria Zapanta
Mehrdad Zarif-Keyvan
Jim Zavitz
William Zwambag

1041 AC 11/03

AGRICORP™

AGRICORP
P. O. Box 3660, Station Central - 1 Stone Road West
Guelph Ontario N1H 8M4

1-888-247-4999

www.agricorp.com

This annual report has been printed on Domtar Sandpiper, a paper recycled from 100% post-consumer waste, and processed chlorine-free.